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International

DCI/IC 74-1603

17 May 1974

MEMORANDUM FOR: Chief, Product Review Division

SUBJECT : Defense Concern with the Technology Transfer Issue.

1. On 16 May 1974 Captain Muller and Mr. Eugene Meier, AF/IN, informed me of two developments that reflect Defense's continued concern about the US-USSR Bilateral Technical Agreements and associated industrial protocols. Defense fears that U.S. scientific and technological know-how acquired by the USSR will be of direct benefit to military programs. The following are some actions Defense is considering:

a. Assistant Chief of Staff Intelligence, General Keegan, has requested a memorandum be prepared for Chief of Staff Air Force, General Brown, tasking all AF Commands to respond in six weeks with a net technical assessment on recent U.S. losses of technology to the USSR. Three technical areas have been initially proposed--integrated circuits, computers, and inertial guidance--for examination. While the memorandum is in draft stage, both Muller and Meier indicated it was just a matter of time before it was signed, for General Brown supported the effort in principle.

b. Two weeks ago a briefing was provided to General Jones, Military Assistant to Deputy Secretary of Defense William Clements, on the military implications of U.S. technology to the USSR. There was more than speculation that Clements may raise the issue with the NSC.

2. During the discussion I introduced our proposal, being prepared for General Graham's signature, requesting a base line study by the SIC on some military related technologies.

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